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PSC TO MEET IN LEXINGTON ON KENTUCKY-AMERICAN WATER CO. RATE REQUEST

Nov. 4 local public hearing set aside for public comments

FRANKFORT, Ky. (Oct. 28, 2004) The Kentucky Public Service Commission (PSC) will hold a public hearing in Lexington on Thursday, Nov. 4, 2004, to receive comments on a rate increase requested by the Kentucky-American Water Co.

The hearing will be held in the auditorium of Paul Laurence Dunbar High School, 1600 Man O'War Boulevard. It will begin at 5 p.m. and conclude no later than 9 p.m.

"We have taken the unusual step of scheduling a local public hearing because of the high degree of interest in this case," PSC Chairman Mark David Goss said. "We want to make it as convenient as possible for Kentucky-American customers to state their opinions about the rate request directly to the Commission."

Goss noted that the case before the PSC involves only Kentucky-American's request for a rate increase. Comments on other matters, such as local ownership of the utility, cannot be considered by the Commission in making its decision, he said.

Kentucky-American serves about 108,000 customers in 10 counties in central Kentucky. The company is seeking to increase its annual revenue by \$7.3 million, or 16.8 percent. The average monthly residential bill would rise to \$21.50, from \$18.65.

The local public hearing will not include any presentations by Kentucky-American or other parties to the case. People wishing to address the PSC may sign up beginning at 4:30 p.m.

Sign-ups will end at 9 p.m., but everyone who has signed up will be allowed to make comments. The amount of time allotted to individual speakers will depend on how many people wish to speak.

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"This hearing is for the public, and we will stay as long as it takes for everyone to be heard," Goss said. "The company and other parties will argue their cases at the evidentiary hearing."

Because a local public hearing is being held, public comment will not be taken at the formal evidentiary hearing, which begins Monday, Nov. 8, 2004. Written public comments may be submitted to the PSC at the hearing, as well as by mail, fax (502 564-9625) or by e-mail via the PSC Web site, which is <u>psc.ky.gov</u>.

The evidentiary hearing will be open to the public, with participation limited to the parties to the case and the PSC and its staff. The hearing is expected to last several days, beginning at 9 a.m. each day. It will be held in Hearing Room #1 at the PSC, 211 Sower Boulevard, Frankfort, 40602.

Commission orders and other documents in the case are available on the PSC Web site. The case number is 2004-00103.

The PSC is an agency within the Environmental and Public Protection Cabinet. It regulates more than 1,500 gas, water, sewer, electric and telecommunication utilities operating in the Commonwealth of Kentucky and has approximately 115 employees.